

## Choice Training 8-4: DOR Income Determination

### 1. 4. DOR Income Determination

#### 1.1 Training 8-4:



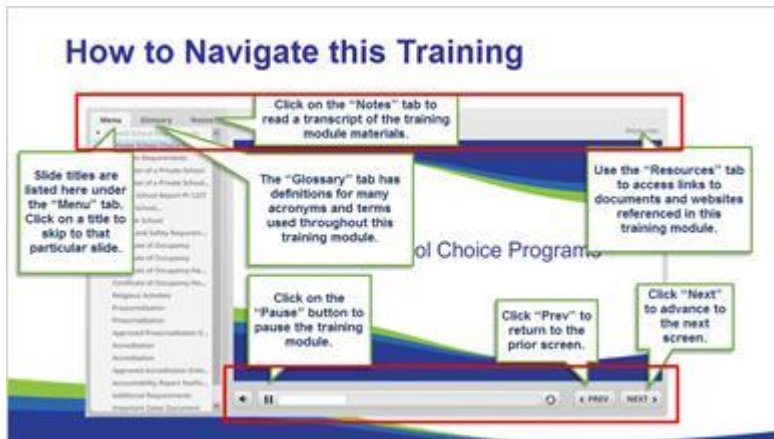
#### Notes:

Welcome to the Wisconsin Department of Public Instruction's training module on the Private School Choice Programs. We will refer to the Private School Choice Programs as "Choice" or "Choice program" throughout this training. The Choice program is governed by Wis. Stat. §§ 119.23 and 118.60, as well as Wis. Admin. Codes ch. PI 35 and 48. Provisions of this training module are subject to statutory and rule changes.

This training module will provide more details about the Department of Revenue or DOR income determination method.



## 8-4.2 How to Navigate this Training Module



### Notes:

Before we start, here are some tips and tools you may wish to use when viewing this training.

When listening to this training please note the buttons at the top of the training screen. Titles to all of the slides in this training are listed under the “Menu” tab on the top left of the training screen. You may watch the training in its entirety, or you may skip to a specific slide by clicking on the title of a particular slide.

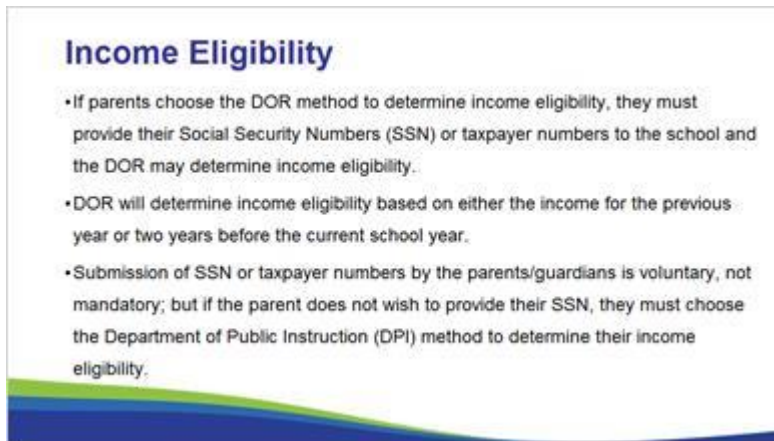
Acronyms and terms that are used throughout this training are defined under the “Glossary” tab on the upper left side of the training screen. If you have any questions about a particular acronym or term that is used in this training, click on the “Glossary” tab to read the definition of that acronym or term.

The “Notes” tab has a transcript of the training materials as they are presented. If you wish to read along with the training, please click the “Notes” tab on the upper left side of the training screen.

We have also posted resources related to this training which can be found under the “Resources” link on the upper right hand side of the training screen.

Next please note the buttons at the bottom of the training screen. If you want to pause on or during a specific slide, please hit the “Pause” button. Clicking the “Prev” button will allow you to return to the previous slide and clicking the “Next” button will allow you to advance to the next slide, if you wish to advance sooner than the auto-timing.

### **8-4.3 Income Eligibility**



**Income Eligibility**

- If parents choose the DOR method to determine income eligibility, they must provide their Social Security Numbers (SSN) or taxpayer numbers to the school and the DOR may determine income eligibility.
- DOR will determine income eligibility based on either the income for the previous year or two years before the current school year.
- Submission of SSN or taxpayer numbers by the parents/guardians is voluntary, not mandatory; but if the parent does not wish to provide their SSN, they must choose the Department of Public Instruction (DPI) method to determine their income eligibility.

**Notes:**

For purposes of this training, parent will refer to either the parent or guardian of the student.

If the student must prove income eligibility and the parents choose the Department of Revenue or DOR method to determine income eligibility, the parents must provide the school with their social security or taxpayer number. The DOR will determine income eligibility based on income for the previous year or 2 years before the current school year. For example, if the parent was applying for the 17-18 school year, DOR might use the 2016 or 2015 income tax returns to determine eligibility. DOR will not indicate which year is being used.

Submission of the social security number is voluntary; but if the parent does not wish to provide their social security number, the parent must choose the DPI method to determine their income eligibility in the online parent application.

### 8-4.4 DOR Availability

		Form Filed					
		Form 1- without a Schedule I	Form 1- with a Schedule I	Form 1A	Form WI-Z	Form 1- NPR	Amended Return (Form 1X)
Filed by paper		Yes	No	No	Yes	Yes	No
Filed by software or a preparer		Yes	Yes	Yes	Yes	Yes	No
Filed using DOR's e-file application		Yes	No	No	Yes	Yes	No

• **Form 1:** Income Tax Return long form

• **Form 1A:** Income Tax Return short form

• **Schedule I:** "Adjustments to Convert Federal Adjusted Gross Income and Itemized Deductions to the Amounts Allowable for Wisconsin" schedule

• **Form WI-Z:** Income Tax Return easy form

• **Form 1-NPR:** Nonresident and Part-year Resident Income Tax Return


#### Notes:

This chart identifies which income tax data the DOR would be able to verify based on the type of form filed. On the left, this chart shows the method of filing. Across the top, this chart shows the type of form filed. Items with no and in red, are forms that DOR would not be able to verify. Items with yes and in green are forms that the DOR would be able to verify. This chart may help to assess whether the DOR method makes sense for an applicant based on the income tax return form used and how the parent filed their income taxes.

### **8-4.5 DOR Availability**

#### **DOR Availability**

- The DOR includes the adjusted gross income for all taxpayers on the tax return in the determination of income eligibility.
- If the parent filed a joint tax return in the past two years and no longer lives with their spouse/ex-spouse; it may not make sense to use the DOR method. Instead, the parent should choose the DPI method.



#### **Notes:**

The DOR method includes the adjusted gross income for all taxpayers on the tax return in the determination of income eligibility. The parent will want to consider that if he/she filed a joint tax return in the past two years but no longer lives with their spouse/ex-spouse. In this case, it may not make sense to use the DOR method as the DOR method would use the joint return with both parents income. Instead, the parent should select the DPI method. With the DPI method, if the parents no longer live together, the parent would only need to provide support for his/her income.

### 8-4.6 Verifying New Students-DOR

**Verifying New Students-DOR**

**Private School Choice Programs**  
**New Students Application - Verify Income**

**Family Information a list**

Parent/Student Information	Student Information
<p>Parent/Student Information</p> <p>John Johnson 1234 Washington St. Madison, WI 53703 Phone: (608) 555-1234 Family size: 4</p>	<p>Student Information</p> <p>John Johnson 01-01-2008 (DOB) John Johnson 01-01-2009 (DOB) John Johnson 01-01-2010 (DOB) John Johnson 01-01-2011 (DOB)</p>

**Check for Records**

- If a parent chose to use the DOR method to verify their income eligibility, the first verification screen in OAS will prompt the school to enter the social security number or taxpayer ID number of the parents listed on the application.
- If two parents are listed, both numbers are required. After entering the social security number, click "check for records" to see if DOR has information available.

#### Notes:

Within OAS, the school must enter the social security number or taxpayer ID for all parents listed on the application. The screen shows how this appears in OAS and the red arrow points to where the social security number or taxpayer ID should be entered in the system.

The school should then click the Check for Records button.

### 8-4.7 Determining if Records Are Available

**Determining if Records Are Available**

- The Department of Revenue will first check for the prior year's income information.
- If the prior year information is not available, the DOR will automatically check for income information from two years ago.
- The system will not indicate which year's information is being checked. It is important to explain this process to parents prior to using the DOR method.



**Notes:**

The DOR will first check for income tax information from the prior year. If the prior year income tax information is not available, the DOR will automatically check for income information from 2 years ago. The school will not be able to determine which year's information the DOR is using. It is important that the parents understand this process prior to using the DOR method.

**8-4.8 DOR Does Not Have Records**

**DOR Does Not Have Records**

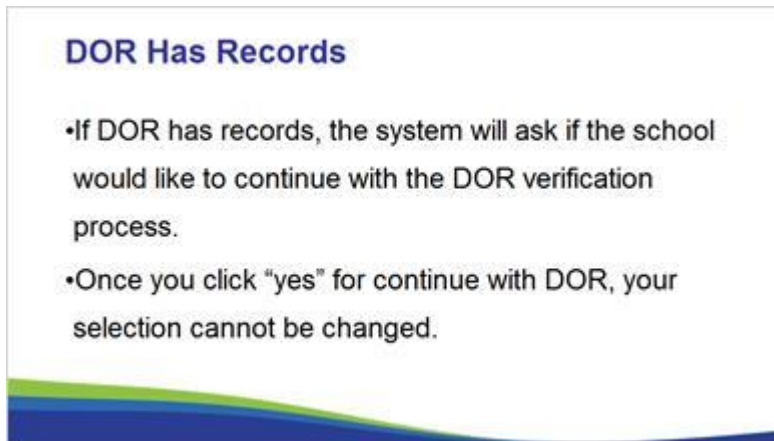
- If DOR does not have records, the parent must use the DPI method by logging back into the online parent application, answering the income related questions and providing the required documentation to the school before the end of that open application period.
- Schools should complete the DOR check prior to the end of the open application period in which the application is received.

**Notes:**

If results for the DOR check show that the DOR does not have records, the parent must use the DPI method by logging back into the online parent application, updating the income method to DPI, answering the income related questions and providing the required documentation to the school before the end of that open application period. The next training will provide more details about the DPI method.

It is recommended that schools complete the DOR check prior to the end of the open application period so that if the DOR does not have records, the parent has the opportunity to select the DPI method. If DOR does not have records and the income determination method is not changed to the DPI method, the application will be ineligible.

#### **8-4.9 DOR Has Records**



#### **Notes:**

If the results show that the DOR does have records, the OAS system will ask if the school would like to continue with the DOR verification process.

Checking for records doesn't mean the school has to use the DOR method. At this point, the parent could still log back into the online parent application and change the income determination method to the DPI method. However, once the school clicks "yes" to continue with DOR, the selection cannot be changed.





### 8-4.10 DOR Not Eligible Screen

**DOR Not Eligible Screen**

- If DOR finds the student(s) to be ineligible, a red message will appear on the screen indicating that the student(s) has been found ineligible such as the following:

When the parent/guardian filled out the online application, they indicated that they would like to use the Wisconsin Department of Revenue (DOR) method for determining income. That check has been completed.

**DOR has determined that this family is not income-eligible for the WPCP program.**

- The student(s) will not be able to participate in the Choice program for the entire school year at any school.

#### Notes:

If the DOR finds the family to be ineligible, a red highlighted message will appear in OAS as shown on the screen. The DOR determination is final and the student(s) will not be able to participate in the Choice program for the entire school year at any Choice school.

### 8-4.11 DOR Eligible Screen

**DOR Eligible Screen**

- If the family is eligible, a green highlighted message will appear indicating that the family has been found eligible such as the following:

When the parent/guardian filled out the online application, they indicated that they would like to use the Wisconsin Department of Revenue (DOR) method for determining income. That check has been completed.

**DOR has determined that this family is income-eligible for the WPCP program!**

#### Notes:

If the DOR finds the family to be eligible, a green highlighted message will appear as shown on the screen.



**Notes:**

If you have any questions about the information discussed in this training, please see the Private School Choice Programs homepage. The left menu bar of the Private School Choice Programs homepage has resources for both schools and parents.

Choice schools may also contact the Choice team at [privateschoolchoice@dpi.wi.gov](mailto:privateschoolchoice@dpi.wi.gov), or call the toll-free number at 1-888-245-2732, extension 3.